



FOR IMMEDIATE RELEASE

JULY 21, 2010

## **ARTIS COMPLETES \$133.4 MILLION OF PREVIOUSLY ANNOUNCED ACQUISITIONS AND ANNOUNCES NEW ACQUISITIONS OF \$50.5 MILLION**

Artis Real Estate Investment Trust (TSX: AX.UN) (“Artis” or the “REIT”) announced today that it has entered into unconditional agreements to acquire 1045 Howe Street in Vancouver, British Columbia and Uplands Common in Lethbridge, Alberta. In addition, Artis has closed the previously announced \$43.7 million acquisition of Grande Prairie Power Centre in Alberta and the US\$17.9 million acquisition of the DSI Building in Minnesota. On June 30, 2010, Artis acquired the remaining 62% interest in the 32 storey Class A office tower at the southwest corner of Portage and Main in Winnipeg and the Shops of Winnipeg Square retail concourse for \$70.7 million, bringing the REIT’s total ownership interest in that property to 100%.

1045 Howe Street, located in Vancouver, British Columbia, is a nine-storey office tower, including the two-storey above ground parking garage. 1045 Howe Street is a good condition, well maintained class “B” office building comprising 101,145 square feet of leasable area. The building is strategically located in Vancouver’s downtown south district, minutes from the CBD and other amenities such as the Canada Skytrain service. 1045 Howe Street is 95% occupied by a combination of national and regional tenants with a weighted average lease term to maturity of 6.3 years. The purchase price of \$38.0 million will be financed with cash on hand and from the assumption of approximately \$15.6 million of existing mortgage financing, which expires in 2016.

Uplands Common is a 100% occupied three-building food-anchored retail centre in Lethbridge, Alberta. Lethbridge is Alberta’s fourth largest city, with a trading population of approximately 275,000 people. Uplands Common, which was constructed in 2003, comprises 53,392 square feet of leasable area with an excellent parking ratio of 4.1 stalls per 1,000. Uplands Common has a strong tenant profile, with a mix of local and national tenants in-place, anchored by a new format Sobey’s on a long-term lease expiring in 2023. The purchase price of \$12.5 million and will be financed with cash on hand and from the assumption of approximately \$7.5 million of existing mortgage financing which expires in 2015.

“We continue to find opportunities to invest in western Canadian commercial properties, building a diversified portfolio of quality western Canadian commercial properties for the benefit of our unitholders”, said Armin Martens, CEO of Artis.

On June 15, 2010, Artis closed the previously announced acquisition of the Grande Prairie Power Centre, a 139,942 square foot unenclosed Class A retail shopping centre located in the Central West Business Park in Grande Prairie, Alberta. Grande Prairie Power Centre is anchored by Future Shop and Best Buy. Other tenants include such high profile national retailers as Mark’s Work Warehouse, Sports Experts, Petsmart, CIBC and Scotiabank. The centre is 93.5% occupied with a weighted-average lease term to maturity of 8.7 years. Grande Prairie Power Centre was constructed in 2008/2009 and has an excellent parking ratio of 4.5 stalls per 1,000 square feet of leasable area. The purchase price of \$43.7 million, which represents a going-in capitalization rate of 7.5%, was financed with cash on hand and from the proceeds of a new \$26.3 million seven-year mortgage bearing interest at a rate of 4.8% per annum.

On June 30, 2010, Artis closed the previously announced acquisition of the DSI Building, an 115,667 square foot Class A suburban office building located in New Brighton, Minnesota, in the northwest quadrant of the Minneapolis/St. Paul metropolitan area. The DSI Building is a state-of-the-art building constructed in 2008 and is configured with a combination of office, laboratory and clean room space, suitable for a single tenant or potential redevelopment to multi-tenant use. The building is located in the node known as "medical alley" where there is a concentration of medical technology and bioscience companies and has an excellent parking ratio of 3.9 stalls per 1,000 square feet of leasable area. The building is 100% leased by Data Sciences International on a long-term lease with annual escalations to 2020. Data Sciences International is a global leader in implantable telemetric physiologic monitors. The purchase price of US\$17.9 million is equivalent to approximately C\$19.0 million, using the exchange rate effective June 30, 2010. The purchase price represents a going-in capitalization rate of 9.7%. Artis financed the purchase price with cash on hand and from the proceeds of a new US\$12.3 million three-year floating rate mortgage, which bears interest at approximately 4.6% based on the July 20, 2010 LIBOR rates.

On June 30, 2010, Artis closed the previously announced conditional acquisition of a 62% interest in the 360 Main Street property, bringing its total ownership interest in the property to 100%. The 360 Main Street property is a 32-storey Class A office tower with connected underground retail concourse, originally constructed in 1979, located in the heart of downtown Winnipeg at the corner of Portage Avenue and Main Street. The 360 Main Street property is connected to the indoor skywalk system that links the office towers and amenities of downtown Winnipeg. The office tower comprises 545,110 square feet of leasable area and is 96.8% occupied. The Shops of Winnipeg Square has a leasable area of 56,976 square feet and is 91.0% occupied. Artis also owns the attached Winnipeg Square Parkade, which is comprised of three underground heated floors with 978 parking stalls. The purchase price of \$70.7 for the 62% interest in the 360 Main Street property represents a going-in capitalization rate of 8.0%. The purchase price was satisfied with cash on hand and by way of the assumption of \$45.9 of mortgage debt, representing 62% of existing mortgage financing on the property.

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Artis is one of Canada's fastest growing real estate investment trusts. Since 2004, Artis has executed an aggressive but disciplined growth strategy, building a portfolio of commercial income-producing properties, with a major focus on Western Canada. Artis' commercial property comprises approximately 9.6 million square feet of leasable area in 111 properties. Leasable area by asset class is approximately 29.5% retail, 32.6% office, and 37.9% industrial. The portfolio is 31.4% in Manitoba, 6.7% in Saskatchewan, 46.7% in Alberta, 14.0% in B.C. and 1.2% in the U.S.

The REIT's Distribution Reinvestment Plan ("DRIP") allows Unitholders to have their monthly cash distributions used to purchase trust units without incurring commission or brokerage fees, and receive bonus units equal to 4% of their monthly cash distributions. More information can be obtained at [www.artisreit.com](http://www.artisreit.com).

For further information please contact Mr. Armin Martens, President and Chief Executive Officer, Mr. Jim Green, Chief Financial Officer or Ms. Kirsty Stevens, Senior Vice President at 1.204.947.1250

*The Toronto Stock Exchange does not accept responsibility for the adequacy or accuracy of this press release.*

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